



To: Audit, Risk and Scrutiny Board

On: 19 January 2026

Report by: Director of Finance and Resources

Heading: Audit Scotland: Spotlight on culture and leisure services

1. Summary

1.1 In October 2025, Audit Scotland published a paper by the Accounts Commission providing a [Spotlight on Culture and Leisure Services](#). They note a reduction in funding for that type of service, the variation in provision and the challenges in comparing performance across local authorities. This paper provides an overview of the findings and sets out Renfrewshire's current position.

2. Recommendations

2.1 It is recommended that members of the Audit, Risk and Scrutiny Board:

- Note the contents of this report
-

3. Key Findings of the Report

3.1 This report provides an overview of the latest publication in a series being produced by the Accounts Commission to provide an overview of the local government sector, with each publication focusing on a particular service area. The publication covered here is the first of these service-specific publications and is a Spotlight on Culture and Leisure. It reviews how councils are delivering these services and considers performance over time.

- 3.2 The publication notes that there is local variation in provision, with libraries and leisure facilities commonly provided across council areas but other services such as museums, galleries and cultural programmes varying. These services are considered to have an important role in promoting wellbeing and preventing health issues, by providing accessible health and learning opportunities. It notes that a reduction in these types of service can have a disproportionate impact on certain groups within communities, and this may be reflected in demand for, and performance of, other services.
- 3.3 Twenty-three Scottish local authorities use an arm's length external organisation (ALEO) to deliver cultural and/or leisure services, with the remainder delivering these in-house. There are a number of financial benefits for operating through an ALEO, and the publication sets out in its Exhibit 2 a list of factors that would be considered when deciding to set up an ALEO. It also sets out some examples of governance arrangements in different council areas, and details some instances where the financial impact of the pandemic has led to some or all elements of cultural and leisure provision being brought back in-house.
- 3.4 Unlike some other service areas, there is no defined standard for the provision of culture and leisure services – councils must ensure there is “adequate provision of leisure, cultural and library services”. (Local Government and Planning (Scotland) Act 1982, subsequently transferred under Schedule 13 of the Local Government etc (Scotland) Act 1994)). The auditors refer to spending trends which have seen greater reductions in cultural and leisure budgets than in other service areas in order to protect other statutory services.
- 3.5 In 2023/24, culture and leisure accounted for around 5% of overall council spending. The spotlight paper notes that total spending on libraries decreased by around 6% in real terms between 2018/19 and 2023/24, and spending on sport and recreation reduced by 3% over the same period. There was also a trend towards lower expenditure on parks, open spaces and countryside. In contrast, spending on museums and galleries increased by 9% in that timeframe. Satisfaction levels, as measured by the Scottish Household Survey, have declined over the period. The grant funding received from the Scottish Government for culture and leisure is based on population size and other demographic factors but is not ringfenced so there is local discretion on how this is spent.
- 3.6 Income from charges has increased steadily since 2018/19, although increases in charges has tended to be at below-inflation levels. Notwithstanding the increase, the proportion of culture and leisure funding from this source remains relatively small. The publication's authors note a

report by sportscotland which found that, once adjusted for inflation, the charge for 17 of the 18 activities they reviewed had actually decreased.

- 3.7 Capital expenditure on culture and leisure was £209m in 2023/24, almost 6% of total local authority capital spend. The funding pot for capital expenditure in this service area did increase between 2018/19 and 2023/24 overall, although it declined by 12.9% between 2022/23 and 2023/24.
- 3.8 The Accounts Commission found that more than half of councils had overspent on culture and leisure budgets in 2023/24, with falling income, workforce pressures and cost increases being the main factors at play. They also report that across 19 councils, total savings of £9.9m were taken from culture and leisure services in 2025/26 budgets; this equates to 1.5% of the overall planned spend of culture and leisure services and 4.7% of the total local authority savings target.
- 3.9 In preparing the publication, auditors looked at the effectiveness of local authority engagement on planned changes to culture and leisure services, and on the quality of equality impact assessments (EIAs) relating to planned changes. They note the potential risks of failing to engage effectively or to give due consideration to the impacts of service changes and provide examples of instances where decisions have been paused or reversed as a result of insufficient engagement or consideration, or where legal actions have been brought forward by communities. Examples are also provided of cases where community asset transfers have been used to retain services whilst still allowing local authorities to achieve the savings necessary.
- 3.10 The publication finds that post-pandemic recovery varies within the sector. Nationally, library visits remain slightly below pre-Covid levels although digital visits are helping offset drops in physical footfall. Museums and galleries overall appear to have recovered entirely and are exceeding pre-pandemic visitor numbers. Attendance at leisure facilities has not recovered and remains 17% lower than 2019/20. However, in all these service areas there is considerable local variation and some facilities are experiencing real challenges with visitor numbers.
- 3.11 The auditors stress the importance of local authorities undertaking an objective assessment of costs, service performance and quality within the sector in order to follow Best Value principles. However, they note the overall lack of national culture and leisure performance data. The measures in the Local Government Benchmarking Framework are restricted to four cost measures and four satisfaction measures. They explain the limited value of the satisfaction measures, given these are based on small respondent groups and include people who do not use the services they are providing an opinion

on. They conclude that a lack of appropriate and consistent national performance information means it is not possible to assess the impact of adopting an ALEO model on the quality of service delivery compared with in-house provision or determine how well services are performing and contributing to local and national priorities. However, current work taking place to expand the range of shared performance indicators in this area of service is noted.

- 3.12 The publication concludes by highlighting the urgent need for redesign and transformation in local authority service delivery. They state there should be more consideration given to how services such as culture and leisure support prevention and the achievement of longer-term wellbeing outcomes. They also state that councils should be considering their role as direct service providers and encouraging innovation through supporting communities to take greater ownership of culture and leisure facilities.

4. Implications for Renfrewshire

- 4.1 Renfrewshire Council is one of the twenty-three with an ALEO delivering cultural and leisure services on behalf of the Council. Services are delivered by OneRen, which operates through a limited liability company separate from, but wholly owned by, the Council and has its own Board of Directors and management team. Decisions taken by the Council in relation to the specification of services delivered by OneRen also require the approval of the Board of Directors. The Head of Policy and Partnerships and Head of Finance and Procurement act as Council observers at all One Ren board meetings.
- 4.2 As a direct requirement of the service agreement, One Ren produce an annual business plan for approval by the Council. This sets out how services will be delivered in line with the resources available, and in line with the priorities set by the Council. Quarterly monitoring reports are provided to the Council, through the appointed One Ren monitoring officer, and meetings held to discuss these. Officers regularly discuss the ongoing challenges being managed by One Ren through these quarterly monitoring discussions. These challenges specifically include ongoing energy cost pressures which One Ren estimate have added up to £1m in additional cost pressures being faced in year. One Ren report that these costs along with other cost pressures, have been actively managed in recent years through internal efficiencies.
- 4.3 OneRen has a total budget of £23.2m in 2025/26, of which £14.1m is funded by a service payment from the Council. This is an increase of 23.9% in the service payment since 2021/22 (excluding Covid payments which were made in 2021/22 and 2022/23). The increase in funding year on year is generally

linked to the local government pay award. This year-on-year increase is in contrast to the overall national trend noted in paragraph 3.5 above. OneRen's Business Plan for 2025/26 notes that the service payment accounts for around 55% of their operating costs, with income generation (mainly through charging for services and fundraising) required to meet remaining costs.

- 4.4 The Council has also invested heavily in OneRen capital programmes in recent years – almost £82.5m between 2022/23 and 2025/26, with a further £5.3m allocated for 2026/27. This has supported the delivery of sports facilities at On-X Linwood, Ferguslie, and St James Playing Fields and of the new and refurbished cultural facilities in Paisley – the Town Hall, Learning and Cultural Hub, Arts Centre and the Museum.
- 4.5 The Council established a Strategic Review of Cultural and Leisure Services in late 2024, and updates have been provided to the Leadership Board as part of the regular reporting on Reshaping Renfrewshire. The review includes an assessment of the current Service Level Agreement, which dates from 2015, and will seek to align the service outcomes with Council priorities, with a focus on delivering on outcomes rather than prescribing the services to be provided. In line with other service areas, and in common with other local authorities, the review will also consider any financial savings which may be possible from the review recommendations. Findings from our recent Resident Survey indicate good levels of satisfaction with the services provided by OneRen but reviews are important to ensure services remain fit for purpose.

Implications of the Report

1. **Financial** – none
2. **HR & Organisational Development** – none
3. **Community/Council Planning** – none
4. **Legal** - none
5. **Property/Assets** – none
6. **Information Technology** – none
7. **Equality & Human Rights** - the recommendations within this report have not been assessed in relation to their impact on equalities and human rights as the report concerns a national report on culture and leisure services and is for noting only.

8. **Health & Safety** – none
9. **Procurement** – none
10. **Risk** – none
11. **Privacy Impact** – none
12. **Climate Risk** –not applicable
13. **Children’s Rights** –not applicable.
14. **COSLA Policy Position** –not applicable.

List of Background Papers

None

Author: Lisa Fingland, Policy Manager, lisa.fingland@renfrewshire.gov.uk